

In the Matter of)	No. G2003-93
)	No. G2003-94
FAMILY LIFE INSURANCE COMPANY)	(Consolidated proceedings)
AND INVESTORS LIFE INSURANCE)	
COMPANY OF AMERICA,)	NOTICE OF HEARING ON
)	APPLICATIONS FOR
)	REDOMESTICATION
Insurers.)	

TO: Eugene E. Payne, President
Investors Life Insurance Company of North America and
Family Life Insurance Company
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Office of Insurance Commissioner
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Olympia, WA 98504-0255

AND TO: Mike Kreidler, Insurance Commissioner
Michael G. Watson, Chief Deputy Insurance Commissioner
James T. Odiorne, Deputy Commissioner, Company Supervision
Marshall McGinnis, Company Licensing Manager
Office of the Insurance Commissioner
PO Box 40255
Olympia, WA 98504-0255

On September 12, 2003, Family Life Insurance Company (Family Life) and Investors Life Insurance Company of North America (Investors Life) each filed an Application for Redomestication.

Pursuant to RCW 48.07.210(2), Family Life and Investors Life seek the approval of the Washington State Insurance Commissioner (Commissioner) to transfer their corporate domicile from Washington State to the state of Texas.

Family Life and Investors Life are Washington domestic insurance companies. Because they are affiliated companies and are both wholly owned subsidiaries of a single parent corporation, Financial Industries Corporation, the undersigned has consolidated these proceedings.

The Redomestication of Family Life and Investors Life are controlled by RCW 48.07.210(2). Pursuant to RCW 48.07.210(2), *[t]he commissioner shall approve any proposed transfer of domicile unless the commissioner determines after a hearing, pursuant to such notice as the commissioner may require, that the transfer is not in the best interests of the public or the insurer's policyholders in this state.* On September 24, 2003, pursuant to RCW 48.04.010(1), the undersigned received a request for hearing from the Commissioner.

The hearing will be held under the authority granted the Commissioner by Chapter 48.04 RCW and RCW 48.07.210. As above, RCW 48.07.210 indicates the findings which must be made before approval will be given to these Applications for Redomestication.

YOU ARE HEREBY NOTIFIED that the hearing in this matter will be held commencing on March 1, 2004, at the hour of 9:00 a.m. Pacific Standard Time. The purpose of this hearing, which will include all parties, is to consider the Applications for Redomestication of Family Life and Investors Life. Pursuant to RCW 48.07.210, approval of these applications are conditioned, in part, upon a finding by the undersigned, based upon evidence presented by testimony and documents at the hearing, that there has been reasonable notice given, and that the redomestications are in the best interests of the public and Family Life's and Investors Life's Washington policyholders. The Commissioner must present evidence as to whether reasonable notice has been given and whether he believes that the redomestications are in the best interests of the public and Family Life's and Investors Life's Washington policyholders. Family Life and Investors Life must present evidence regarding whether they believe that the redomestications are in the best interests of the public and Washington policyholders. Particular attention will be given to evidence from Family Life and Investors Life as to whether, and by what means, Washington policyholders' current rights and privileges will be protected if the redomestications are granted. Said evidence on the part of Family Life and Investors Life should be through live testimony as well as written affidavits.

The Commissioner will be represented by Carol Sureau, Esq., Deputy Commissioner of Legal Affairs, Office of the Insurance Commissioner. Her mailing address is P.O. Box 40255, Olympia, WA 98504-0255 and telephone number is (360) 725-7050. Family Life and Investors Life will be represented by Melvin Sorensen, Esq. His mailing address is 700 Fifth Avenue, Ste. 5800, Seattle, WA 98104-5027 and telephone number is (206) 622-8020.

Please note that any interested individual or entity may indicate his/her or its support, or objection, to these proposed redomestications by submitting a letter on or before February 27, 2004 to the undersigned at the above address or by e-mail to Charlene Bowman, Administrative Assistant to the undersigned, at CharB@oic.wa.gov. Interested individuals and entities may include in their letters a request to be included in the hearing by telephone or in person in order to present their positions orally.

The basic facts relied upon are those set forth in the Applications for Redomestication of Family Life and Investors Life, with attachments primarily concerning its financial affairs, corporate structure and past history, which have been filed with the Commissioner. The Applications, with attachments, will be made part of the record of this proceeding. The Commissioner has not taken, and will not take, any position in this matter prior to entry of the Final Findings of Facts, Conclusions of Law and Order.

All parties may be represented at the hearing. They may examine witnesses and fully respond and present evidence and argument on all issues involved. The hearing will be governed by the Administrative Procedure Act, Chapter 34.05 RCW, and the model rules of procedure contained in Chapter 10-08 WAC. A party who fails to attend or participate in any stage of the proceeding may be held in default in accordance with Chapter 34.05 RCW.

Patricia D. Petersen, Presiding Officer, who serves as Chief Hearing Officer for the Office of the Insurance Commissioner, has been designated to hear and determine this matter. Her address is Office of Insurance Commissioner, PO Box 40255, Olympia, WA 98504-0255. Her telephone number is (360) 725-7105. All interested individuals and entities who have questions or concerns about this proceeding should direct them to her Administrative Assistant, Charlene Bowman, at the same address. Ms. Bowman's telephone number is (360) 725-7002.

On October 15, 2003, the undersigned held a second prehearing conference in this matter, and subsequently scheduled the hearing to commence on December 8, 2003. On November 26, 2003, Family Life and Investors Life presented, and was granted, their motion to continue the hearing in this matter indefinitely, for the reason that they were reconsidering their applications for redomestication. On January 15, 2004, Family Life and Investors Life filed, and were granted, their motion to reschedule the hearing in this matter, indicating that it had determined to continue their applications for redomestication at this time. The Commissioner did not oppose either motion.

Notice of Hearing on Applications for Redomestication
January 28, 2004

Pursuant to WAC 10-08-040(2), and in accordance with ch. 2.42 RCW, if a limited English-speaking or hearing impaired or speech impaired party or witness needs an interpreter, a qualified interpreter will be appointed. There will be no cost to the party or witness therefore, except as may be provided by ch. 2.42 RCW. Following this Notice is a form you may use to advise the Chief Hearing Officer of your need for an interpreter.

This Notice is provided pursuant to RCW 48.04.010 and RCW 34.05.434.

ORDER

Based upon the above,

IT IS HEREBY ORDERED that the adjudicative hearing in this matter shall commence on March 1, 2004 at the hour of 9:00 a.m. in the Office of the Insurance Commissioner, 5000 Capitol Way, Olympia, Washington, or at such other time as may be designated by the undersigned.

A complete copy of this Notice of Hearing shall be published in the next edition of the Washington State Register, which is scheduled for distribution on February 18, 2004. Further, a complete copy of this Notice of Hearing shall be published on the Commissioner's internet, which is available to the public, immediately and shall remain there until entry of the Final Order herein.

ENTERED AT OLYMPIA, WASHINGTON, this ____ day of February, 2004.

PATRICIA D. PETERSEN
Presiding Officer